



Claire McCaskill

Missouri State Auditor

December 2005

Perry County, Missouri

Years Ended

December 31, 2004 and 2003



Office Of The
State Auditor Of Missouri
Claire McCaskill

December 2005

IMPORTANT: The Missouri State Auditor is required by state law to conduct audits once every 4 years in counties, like Perry, that do not have a county auditor. In addition to a financial and compliance audit of various county operating funds, the State Auditor's statutory audit covers additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

This audit of Perry County included additional areas of county operations, as well as the elected county officials. The following concerns were noted as part of the audit:

- Bids were not always solicited, nor was bid documentation always retained for various purchases made by the county. The county did not enter into a formal written agreement for excavation services.
- County commission minutes are not signed by the County Clerk or the County Commission. Minutes are not always prepared to document closed meetings.
- The county does not maintain adequate usage logs for Road and Bridge vehicles and equipment and the county van. In addition, an inventory record is not maintained for bulk fuel tanks used for vehicles and equipment for the Road and Bridge and Sheriff departments. Fuel purchases are not tracked for the county van. County vehicles are used for commuting by eight Road and Bridge employees and this benefit is not recorded on the employee's W-2.
- Salary commission minutes did not clearly document the cost of living adjustment given to county officials. Various county officials are not covered by an employee bond.
- The Circuit Clerk's Office does not issue receipt slips immediately for some monies received and monies are not always deposited timely. Checks and money orders are not restrictively endorsed immediately upon receipt. The Circuit Clerk's Office has not established procedures to follow up on outstanding checks and to ensure all accrued costs are adequately identified and pursued.
- The Prosecuting Attorney's cash handling and receipt procedures are not adequate. Restitution payments are not made to victims on a timely basis. In addition, an adequate system to account for bad check complaints has not been established.

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YELLOW SHEET

- The Sheriff's Office does not deposit receipts on a timely basis and does not prepare a monthly listing of open items (liabilities) for comparison to the commissary bank account. Commissary account and vending machine profits are not turned over to the county. There are no written contracts for the housing of prisoners from some political subdivisions.
- Closed meeting minutes are not always prepared by the Landfill/Transfer Station committee. Monies are not turned over to the County Clerk on a timely basis and the method of payment is not always included on invoices. In addition, the County Clerk's Office does not issue receipt slips for monies received from the Landfill/Transfer Station.
- Health Center Board minutes are not signed by the board. Bid documentation was not always solicited or advertised nor was bid documentation always retained. Receipts are not deposited on a timely basis and receipt slips are not issued for some monies received.

Also included in the audit were recommendations related to budgetary practices, the property tax system, and the lack of a road maintenance plan. The audit also suggested improvements in the procedures of the County Collector and the Recorder of Deeds.

All reports are available on our website: www.auditor.mo.gov

PERRY COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON
THE FINANCIAL STATEMENTS**

To the County Commission
and
Officeholders of Perry County, Missouri

We have audited the accompanying Statements of Receipts, Disbursements, and Changes in Cash - Various Funds and Comparative Statement of Receipts, Disbursements, and Changes in Cash - Budget and Actual - Various Funds of Perry County, Missouri, as of and for the years ended December 31, 2004 and 2003. These financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed more fully in Note 1, these financial statements were prepared using accounting practices prescribed or permitted by Missouri law, which differ from accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the effects of the matter discussed in the preceding paragraph, the financial statements referred to in the first paragraph do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Perry County, Missouri, as of December 31, 2004 and 2003, or the changes in its financial position for the years then ended.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Perry County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended December 31, 2004 and 2003, on the basis of accounting discussed in Note 1.

In accordance with *Government Auditing Standards*, we also have issued our report dated September 1, 2005, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the management of Perry County, Missouri, and was not subjected to the auditing procedures applied in the audit of the financial statements referred to above. Accordingly, we express no opinion on the information.



Claire McCaskill
State Auditor

September 1, 2005 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Jeannette Eaves, CPA
In-Charge Auditor:	Carl Zilch, Jr.
Audit Staff:	Julie Vollmer
	Kate Petschonek
	Julie Moore



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT
ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Perry County, Missouri

We have audited the financial statements of various funds of Perry County, Missouri, as of and for the years ended December 31, 2004 and 2003, and have issued our report thereon dated September 1, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements of various funds of Perry County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements of various funds of Perry County, Missouri, are free of material misstatement, we performed tests of the

county's compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted certain matters which are described in the accompanying Management Advisory Report.

This report is intended for the information and use of the management of Perry County, Missouri, and other applicable government officials. However, pursuant to Section 29.270, RSMo, this report is a matter of public record and its distribution is not limited.

A handwritten signature in black ink that reads "Claire McCaskill". The signature is written in a cursive, flowing style.

Claire McCaskill
State Auditor

September 1, 2005 (fieldwork completion date)

Financial Statements

Exhibit A-1

PERRY COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 2004

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 644,026	2,559,211	2,436,984	766,253
Special Road and Bridge	421,948	1,365,051	1,346,571	440,428
Assessment	0	226,484	226,484	0
Landfill/Transfer Station	181,092	521,747	519,687	183,152
Recycling Center	14,517	136,089	93,052	57,554
911 Emergency	327,340	195,480	247,016	275,804
Mental Health	276,549	226,242	212,466	290,325
Law Enforcement Training	2,248	8,126	7,176	3,198
Prosecuting Attorney Training	1,399	1,479	0	2,878
Prosecuting Attorney Bad Check	5,926	19,638	17,256	8,308
Recorder's User Fee	43,994	20,794	21,667	43,121
Election Services	3,875	18,456	1,409	20,922
Perry County Health Center Building	212	20,398	20,389	221
Local Park Sales Tax	589,064	1,017,828	1,042,203	564,689
Sheriff's Civil Fees	10,360	34,866	33,676	11,550
Health Center	289,392	758,438	721,756	326,074
Law Library	12,105	8,753	5,319	15,539
Associate Circuit Division Interest	5,602	292	4,969	925
Circuit Division Interest	4,822	1,419	0	6,241
Sheriff's Reserve	3,454	5,450	3,044	5,860
Commissary	8,517	44,000	34,904	17,613
Senate Bill 40 Board	126,261	222,994	284,467	64,788
Collector's Tax Maintenance	9,007	13,918	8,266	14,659
Circuit Clerk's Time Payment Record	10	912	0	922
Circuit Clerk's Juvenile Fees	533	599	0	1,132
Sheriff's Revolving Fund	0	2,248	1,602	646
Total	\$ 2,982,253	7,430,912	7,290,363	3,122,802

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A-2

PERRY COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
 YEAR ENDED DECEMBER 31, 2003

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 535,110	2,294,295	2,185,379	644,026
Special Road and Bridge	478,462	1,330,565	1,387,079	421,948
Assessment	4,410	199,969	204,379	0
Landfill/Transfer Station	146,716	519,445	485,069	181,092
Recycling Center	26,472	73,069	85,024	14,517
911 Emergency	319,728	188,115	180,503	327,340
Mental Health	219,295	219,302	162,048	276,549
Law Enforcement Training	190	5,666	3,608	2,248
Prosecuting Attorney Training	7,924	1,017	7,542	1,399
Prosecuting Attorney Bad Check	8,456	17,902	20,432	5,926
Recorder's User Fee	46,234	33,896	36,136	43,994
Election Services	6,050	1,128	3,303	3,875
Perry County Health Center Building	214	120,397	120,399	212
Local Park Sales Tax	632,487	966,276	1,009,699	589,064
Sheriff's Civil Fees	17,218	38,836	45,694	10,360
Perry County Health Insurance	1,579	57,595	59,174	0
Health Center	339,327	745,982	795,917	289,392
Law Library	7,255	9,204	4,354	12,105
Associate Circuit Division Interest	4,730	872	0	5,602
Circuit Division Interest	4,284	538	0	4,822
Sheriff's Reserve	5,662	50	2,258	3,454
Commissary	6,318	29,134	26,935	8,517
Senate Bill 40 Board	197,848	218,158	289,745	126,261
Collector's Tax Maintenance	458	11,628	3,079	9,007
Circuit Clerk's Time Payment Record	0	10	0	10
Circuit Clerk's Juvenile Fees	200	333	0	533
Total	\$ 3,016,627	7,083,382	7,117,756	2,982,253

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
TOTALS - VARIOUS FUNDS						
RECEIPTS	\$ 7,085,866	7,413,235	327,369	6,867,086	7,083,039	215,953
DISBURSEMENTS	7,731,195	7,280,495	450,700	7,508,569	7,117,756	390,813
RECEIPTS OVER (UNDER) DISBURSEMENTS	(645,329)	132,740	778,069	(641,483)	(34,717)	606,766
CASH, JANUARY 1	2,971,279	2,972,703	1,424	3,016,427	3,016,427	0
CASH, DECEMBER 31	2,325,950	3,105,443	779,493	2,374,944	2,981,710	606,766
GENERAL REVENUE FUND						
RECEIPTS						
Property taxes	442,000	444,882	2,882	437,182	441,372	4,190
Sales taxes	1,050,000	1,075,533	25,533	990,000	1,023,598	33,598
Intergovernmental	110,610	112,498	1,888	57,255	74,257	17,002
Charges for service:	728,810	867,750	138,940	641,205	704,676	63,471
Interest	12,000	20,812	8,812	22,000	16,556	(5,444)
Other	82,800	37,736	(45,064)	49,600	33,836	(15,764)
Transfers in	20,000	0	(20,000)	56,000	0	(56,000)
Total Receipts	2,446,220	2,559,211	112,991	2,253,242	2,294,295	41,053
DISBURSEMENTS						
County Commissioner	97,019	95,325	1,694	92,069	93,560	(1,491)
County Clerk	98,852	100,241	(1,389)	95,004	93,412	1,592
Elections	64,400	46,951	17,449	61,000	7,664	53,336
Buildings and grounds	209,633	186,799	22,834	219,266	159,420	59,846
Employee fringe benefit	410,000	386,336	23,664	295,200	305,957	(10,757)
County Treasurer	47,080	46,421	659	46,113	44,578	1,535
County Collector	92,372	88,973	3,399	85,972	84,568	1,404
Ex Officio Recorder of Deed	91,029	88,781	2,248	79,413	83,682	(4,269)
Circuit Clerk	14,400	14,207	193	6,860	5,301	1,559
Associate Circuit Court	0	0	0	6,000	4,177	1,823
Court administration	37,128	29,788	7,340	33,584	30,990	2,594
Public Administrator	16,664	16,661	3	16,150	16,113	37
Sheriff	395,404	402,751	(7,347)	332,297	344,782	(12,485)
Jail	286,600	301,153	(14,553)	277,000	288,117	(11,117)
Prosecuting Attorney	122,020	120,660	1,360	118,825	117,327	1,498
Juvenile Officer	60,000	34,337	25,663	89,438	15,888	73,550
County Coroner	14,117	17,554	(3,437)	13,857	15,272	(1,415)
Dispatch Operations	117,140	114,478	2,662	118,750	114,613	4,137
Insurance	55,000	59,157	(4,157)	60,000	50,945	9,055
University Extension Center	39,000	37,275	1,725	38,000	37,504	496
Postage	17,000	17,188	(188)	16,000	16,778	(778)
Equipment	15,000	12,236	2,764	0	0	0
Perry County IDA	60,000	61,928	(1,928)	54,340	54,787	(447)
Safety Attendance Office	25,804	25,804	0	23,745	23,745	0
Lease-Recorder's Office	19,817	13,337	6,480	0	0	0
Higher Education Commitment	25,000	25,000	0	25,000	25,000	0
Domestic violence	7,600	10,035	(2,435)	7,700	7,624	76
Miscellaneous grants	11,000	10,972	28	15,000	15,978	(978)
Debt service	9,000	0	9,000	9,188	9,189	(1)
Other	51,209	49,209	2,000	78,596	72,453	6,143
Transfers out	28,088	23,427	4,661	38,593	45,955	(7,362)
Emergency Fund	77,000	0	77,000	70,000	0	70,000
Total Disbursements	2,614,376	2,436,984	177,392	2,422,960	2,185,379	237,581
RECEIPTS OVER (UNDER) DISBURSEMENTS	(168,156)	122,227	290,383	(169,718)	108,916	278,634
CASH, JANUARY 1	644,027	644,026	(1)	535,110	535,110	0
CASH, DECEMBER 31	475,871	766,253	290,382	365,392	644,026	278,634

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>SPECIAL ROAD AND BRIDGE FUND</u>						
RECEIPTS						
Property taxes	708,000	715,445	7,445	657,970	695,528	37,558
Intergovernmental	584,500	595,913	11,413	565,100	577,914	12,814
Charges for services	40,000	39,126	(874)	35,000	39,744	4,744
Interest	14,000	10,091	(3,909)	22,000	13,852	(8,148)
Other	8,325	4,476	(3,849)	3,125	3,527	402
Total Receipts	1,354,825	1,365,051	10,226	1,283,195	1,330,565	47,370
DISBURSEMENTS						
Salaries	400,000	386,075	13,925	395,000	378,152	16,848
Employee fringe benefit	150,300	145,286	5,014	123,220	121,671	1,549
Supplies	83,800	103,985	(20,185)	87,300	82,193	5,107
Insurance	24,600	23,783	817	19,000	21,888	(2,888)
Road and bridge materials	100,000	138,131	(38,131)	225,000	231,646	(6,646)
Equipment repairs	89,500	95,741	(6,241)	81,500	86,617	(5,117)
Rentals	500	0	500	500	0	500
Equipment purchases	131,000	27,398	103,602	16,000	207	15,793
Construction, repair, and maintenance	323,500	278,891	44,609	247,500	299,018	(51,518)
County's Portion to Citie:	84,000	80,766	3,234	84,000	82,869	1,131
Debt service	46,500	46,348	152	46,500	46,348	152
Other	25,800	20,167	5,633	28,090	21,949	6,141
Transfers out	40,000	0	40,000	51,500	14,521	36,979
Total Disbursements	1,499,500	1,346,571	152,929	1,405,110	1,387,079	18,031
RECEIPTS OVER (UNDER) DISBURSEMENTS	(144,675)	18,480	163,155	(121,915)	(56,514)	65,401
CASH, JANUARY 1	421,948	421,948	0	478,462	478,462	0
CASH, DECEMBER 31	277,273	440,428	163,155	356,547	421,948	65,401
<u>ASSESSMENT FUND</u>						
RECEIPTS						
Intergovernmental	187,310	197,057	9,747	179,000	186,062	7,062
Interest	1,000	542	(458)	1,500	810	(690)
Other	7,200	5,458	(1,742)	5,500	6,087	587
Transfers in	32,088	23,427	(8,661)	8,573	7,010	(1,563)
Total Receipts	227,598	226,484	(1,114)	194,573	199,969	5,396
DISBURSEMENTS						
Assessor	227,598	226,484	1,114	195,933	200,506	(4,573)
Transfers out	0	0	0	3,050	3,873	(823)
Total Disbursements	227,598	226,484	1,114	198,983	204,379	(5,396)
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0	0	(4,410)	(4,410)	0
CASH, JANUARY 1	0	0	0	4,410	4,410	0
CASH, DECEMBER 31	0	0	0	0	0	0

Exhibit B

PERRY COUNTY, MISSOURI

COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LANDFILL/TRANSFER STATION FUND</u>						
RECEIPTS						
Charges for services:	520,000	519,599	(401)	490,000	516,618	26,618
Interest	3,000	2,030	(970)	3,800	2,827	(973)
Other	100	118	18	100	0	(100)
Total Receipts	523,100	521,747	(1,353)	493,900	519,445	25,545
DISBURSEMENTS						
Salaries	56,136	58,749	(2,613)	51,575	52,639	(1,064)
Employee fringe benefit	20,950	20,315	635	15,810	18,461	(2,651)
Office expenditures:	4,025	9,447	(5,422)	3,825	3,397	428
Equipment purchases:	85,019	19,751	65,268	79,517	13,100	66,417
Methane migration/buyout	0	21,623	(21,623)	5,000	0	5,000
Tonnage fee	26,500	26,824	(324)	26,000	26,391	(391)
Waste disposal	205,000	205,185	(185)	205,000	201,189	3,811
Waste transportation	145,000	141,177	3,823	130,000	141,247	(11,247)
Other	12,885	16,616	(3,731)	22,510	26,709	(4,199)
Transfers out	0	0	0	1,240	1,936	(696)
Total Disbursements	555,515	519,687	35,828	540,477	485,069	55,408
RECEIPTS OVER (UNDER) DISBURSEMENTS	(32,415)	2,060	34,475	(46,577)	34,376	80,953
CASH, JANUARY 1	181,092	181,092	0	146,716	146,716	0
CASH, DECEMBER 31	148,677	183,152	34,475	100,139	181,092	80,953
<u>RECYCLING CENTER FUND</u>						
RECEIPTS						
Intergovernmental	9,000	5,245	(3,755)	14,850	9,050	(5,800)
Charges for services:	57,715	127,615	69,900	60,000	53,235	(6,765)
Interest	200	1,229	1,029	350	261	(89)
Other	2,500	2,000	(500)	9,000	10,523	1,523
Total Receipts	69,415	136,089	66,674	84,200	73,069	(11,131)
DISBURSEMENTS						
Salaries	38,282	41,028	(2,746)	25,180	27,013	(1,833)
Employee fringe benefit	11,125	11,253	(128)	5,690	6,865	(1,175)
Equipment purchases:	15,100	33,500	(18,400)	44,305	42,078	2,227
Building expenses:	0	0	0	2,100	933	1,167
Other	7,700	7,271	429	6,925	7,658	(733)
Transfers out	0	0	0	310	477	(167)
Total Disbursements	72,207	93,052	(20,845)	84,510	85,024	(514)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,792)	43,037	45,829	(310)	(11,955)	(11,645)
CASH, JANUARY 1	14,517	14,517	0	26,472	26,472	0
CASH, DECEMBER 31	11,725	57,554	45,829	26,162	14,517	(11,645)

During 2003 and 2004, the Recycling Center Fund was part of the Landfill/Transfer Station Fund and the budget was monitored as one fund.

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
911 EMERGENCY FUND						
RECEIPTS						
Charges for services:	183,000	183,767	767	185,000	181,861	(3,139)
Interest	4,000	6,884	2,884	6,000	6,128	128
Other	200	4,829	4,629	1,000	126	(874)
Total Receipts	187,200	195,480	8,280	192,000	188,115	(3,885)
DISBURSEMENTS						
Salaries	62,214	62,025	189	59,526	59,295	231
Employee fringe benefit	20,100	19,503	597	16,400	15,801	599
Office expenditures:	6,975	8,624	(1,649)	6,700	5,922	778
Equipment purchases:	91,000	80,572	10,428	83,500	84,585	(1,085)
Mileage & training	6,500	7,244	(744)	2,500	5,387	(2,887)
Vehicle purchase	28,000	27,791	209	0	0	0
Lightning damage repairs:	28,000	28,281	(281)	0	0	0
Other	9,300	12,976	(3,676)	12,200	7,577	4,623
Transfer out	0	0	0	1,550	1,936	(386)
Total Disbursements	252,089	247,016	5,073	182,376	180,503	1,873
RECEIPTS OVER (UNDER) DISBURSEMENTS	(64,889)	(51,536)	13,353	9,624	7,612	(2,012)
CASH, JANUARY 1	327,340	327,340	0	319,728	319,728	0
CASH, DECEMBER 31	262,451	275,804	13,353	329,352	327,340	(2,012)
MENTAL HEALTH FUND						
RECEIPTS						
Property taxes	210,000	219,867	9,867	200,000	212,056	12,056
Intergovernmental	1,000	484	(516)	500	1,251	751
Interest	5,000	5,778	778	3,000	5,833	2,833
Other	100	113	13	150	162	12
Total Receipts	216,100	226,242	10,142	203,650	219,302	15,652
DISBURSEMENTS						
Office expenditures:	23,000	16,051	6,949	23,000	14,625	8,375
Equipment purchases:	20,000	394	19,606	20,000	795	19,205
Contract services:	190,000	190,000	0	107,800	140,000	(32,200)
Other	29,000	6,021	22,979	29,000	6,628	22,372
Total Disbursements	262,000	212,466	49,534	179,800	162,048	17,752
RECEIPTS OVER (UNDER) DISBURSEMENTS	(45,900)	13,776	59,676	23,850	57,254	33,404
CASH, JANUARY 1	276,549	276,549	0	219,295	219,295	0
CASH, DECEMBER 31	230,649	290,325	59,676	243,145	276,549	33,404

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LAW ENFORCEMENT TRAINING FUND</u>						
RECEIPTS						
Intergovernmental	1,600	2,367	767	1,800	1,714	(86)
Charges for service:	4,000	5,730	1,730	4,000	3,946	(54)
Interest	10	29	19	50	6	(44)
Total Receipts	5,610	8,126	2,516	5,850	5,666	(184)
DISBURSEMENTS						
Training expenses:	7,858	7,176	682	6,000	3,608	2,392
Total Disbursements	7,858	7,176	682	6,000	3,608	2,392
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,248)	950	3,198	(150)	2,058	2,208
CASH, JANUARY 1	2,248	2,248	0	190	190	0
CASH, DECEMBER 31	0	3,198	3,198	40	2,248	2,208
<u>PROSECUTING ATTORNEY TRAINING FUND</u>						
RECEIPTS						
Charges for service:	1,000	1,446	446	950	981	31
Interest	50	33	(17)	200	36	(164)
Total Receipts	1,050	1,479	429	1,150	1,017	(133)
DISBURSEMENTS						
Prosecuting Attorney	2,400	0	2,400	8,300	7,542	758
Total Disbursements	2,400	0	2,400	8,300	7,542	758
RECEIPTS OVER (UNDER) DISBURSEMENTS	(1,350)	1,479	2,829	(7,150)	(6,525)	625
CASH, JANUARY 1	1,399	1,399	0	7,924	7,924	0
CASH, DECEMBER 31	49	2,878	2,829	774	1,399	625
<u>PROSECUTING ATTORNEY BAD CHECK FUND</u>						
RECEIPTS						
Charges for service:	18,000	19,570	1,570	15,000	17,853	2,853
Interest	100	68	(32)	180	49	(131)
Other	100	0	(100)	100	0	(100)
Total Receipts	18,200	19,638	1,438	15,280	17,902	2,622
DISBURSEMENTS						
Salaries	1,500	1,126	374	1,500	1,126	374
Office expenditures:	11,108	8,545	2,563	9,650	8,239	1,411
Equipment purchases:	7,000	6,085	915	8,000	9,567	(1,567)
Rent	1,500	1,500	0	1,500	1,500	0
Total Disbursements	21,108	17,256	3,852	20,650	20,432	218
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,908)	2,382	5,290	(5,370)	(2,530)	2,840
CASH, JANUARY 1	5,926	5,926	0	8,456	8,456	0
CASH, DECEMBER 31	3,018	8,308	5,290	3,086	5,926	2,840

Exhibit B

PERRY COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECORDER'S USER FEES FUND						
RECEIPTS						
Intergovernmental	0	3,498	3,498	20,077	11,129	(8,948)
Charges for Services	23,113	16,604	(6,509)	19,875	21,996	2,121
Interest	460	430	(30)	520	456	(64)
Other	200	262	62	160	315	155
Total Receipts	23,773	20,794	(2,979)	40,632	33,896	(6,736)
DISBURSEMENTS						
Ex Officio Recorder of Deed	24,150	21,667	2,483	41,087	36,136	4,951
Total Disbursements	24,150	21,667	2,483	41,087	36,136	4,951
RECEIPTS OVER (UNDER) DISBURSEMENTS	(377)	(873)	(496)	(455)	(2,240)	(1,785)
CASH, JANUARY 1	43,994	43,994	0	46,234	46,234	0
CASH, DECEMBER 31	43,617	43,121	(496)	45,779	43,994	(1,785)
ELECTION SERVICES FUND						
RECEIPTS						
Intergovernmental	3,000	18,377	15,377	1,500	1,033	(467)
Interest	100	79	(21)	100	95	(5)
Total Receipts	3,100	18,456	15,356	1,600	1,128	(472)
DISBURSEMENTS						
Training	6,000	1,409	4,591	3,600	3,303	297
Total Disbursements	6,000	1,409	4,591	3,600	3,303	297
RECEIPTS OVER (UNDER) DISBURSEMENTS	(2,900)	17,047	19,947	(2,000)	(2,175)	(175)
CASH, JANUARY 1	3,875	3,875	0	6,050	6,050	0
CASH, DECEMBER 31	975	20,922	19,947	4,050	3,875	(175)
PERRY COUNTY HEALTH CENTER BUILDING FUND						
RECEIPTS						
Interest	6	9	3	12	8	(4)
Transfers in	20,389	20,389	0	120,389	120,389	0
Total Receipts	20,395	20,398	3	120,401	120,397	(4)
DISBURSEMENTS						
Building Payment	20,389	20,389	0	120,389	120,389	0
Other	0	0	0	0	10	(10)
Total Disbursements	20,389	20,389	0	120,389	120,399	(10)
RECEIPTS OVER (UNDER) DISBURSEMENTS	6	9	3	12	(2)	(14)
CASH, JANUARY 1	212	212	0	214	214	0
CASH, DECEMBER 31	218	221	3	226	212	(14)

Exhibit B

PERRY COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>LOCAL PARK SALES TAX FUND</u>						
RECEIPTS						
Sales taxes	958,000	1,011,163	53,163	937,550	956,598	19,048
Interest	8,000	6,665	(1,335)	16,000	9,678	(6,322)
Total Receipts	966,000	1,017,828	51,828	953,550	966,276	12,726
DISBURSEMENTS						
City of Perryville	239,500	252,791	(13,291)	234,388	239,281	(4,893)
Legal fees	200	0	200	10,000	6,823	3,177
Debt service	794,394	789,412	4,982	772,525	763,595	8,930
Total Disbursements	1,034,094	1,042,203	(8,109)	1,016,913	1,009,699	7,214
RECEIPTS OVER (UNDER) DISBURSEMENTS	(68,094)	(24,375)	43,719	(63,363)	(43,423)	19,940
CASH, JANUARY 1	589,064	589,064	0	632,487	632,487	0
CASH, DECEMBER 31	520,970	564,689	43,719	569,124	589,064	19,940
<u>SHERIFF'S CIVIL FEES FUND</u>						
RECEIPTS						
Intergovernmental	4,850	1,579	(3,271)	4,800	4,842	42
Charges for services	23,000	21,822	(1,178)	22,000	20,855	(1,145)
Interest	400	168	(232)	500	228	(272)
Donations	6,000	11,297	5,297	0	8,818	8,818
Transfers In	0	0	0	4,093	4,093	0
Total Receipts	34,250	34,866	616	31,393	38,836	7,443
DISBURSEMENTS						
Supplies	0	6,180	(6,180)	5,000	2,350	2,650
Equipment purchases	17,500	18,933	(1,433)	27,000	26,718	282
SEMO Drug Task Force	2,500	2,500	0	2,500	2,500	0
K-9 expenses	11,000	0	11,000	11,000	11,156	(156)
Training	0	1,515	(1,515)	0	679	(679)
Other	1,000	4,548	(3,548)	0	2,291	(2,291)
Total Disbursements	32,000	33,676	(1,676)	45,500	45,694	(194)
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,250	1,190	(1,060)	(14,107)	(6,858)	7,249
CASH, JANUARY 1	10,360	10,360	0	17,218	17,218	0
CASH, DECEMBER 31	12,610	11,550	(1,060)	3,111	10,360	7,249
<u>PERRY COUNTY HEALTH INSURANCE</u>						
RECEIPTS						
Transfers in				46,150	57,595	11,445
Total Receipts				46,150	57,595	11,445
DISBURSEMENTS						
Medical insurance				47,500	59,174	(11,674)
Total Disbursements				47,500	59,174	(11,674)
RECEIPTS OVER (UNDER) DISBURSEMENTS				(1,350)	(1,579)	(229)
CASH, JANUARY 1				1,579	1,579	0
CASH, DECEMBER 31				229	0	(229)

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
HEALTH CENTER						
RECEIPTS						
Property taxes	413,000	430,917	17,917	415,000	415,462	462
Intergovernmental	275,000	277,103	2,103	266,700	281,723	15,023
Charges for Services:	34,000	42,359	8,359	32,000	39,094	7,094
Interest	8,000	6,762	(1,238)	10,000	8,438	(1,562)
Other	0	1,297	1,297	1,300	1,265	(35)
Total Receipts	730,000	758,438	28,438	725,000	745,982	20,982
DISBURSEMENTS						
Salaries	417,500	420,451	(2,951)	438,000	421,884	16,116
Employee fringe benefit	134,000	129,853	4,147	116,500	110,094	6,406
Office expenditure:	18,000	15,674	2,326	17,300	17,654	(354)
Equipment purchases	12,000	8,236	3,764	8,000	9,213	(1,213)
Mileage & training	20,000	20,876	(876)	18,500	16,001	2,499
Medical supplies	35,000	39,144	(4,144)	35,000	34,038	962
Contracted services	39,000	27,955	11,045	34,000	38,137	(4,137)
Building expense	9,000	12,340	(3,340)	9,000	8,336	664
Other	25,000	26,838	(1,838)	28,200	20,171	8,029
Transfers Out	20,500	20,389	111	120,500	120,389	111
Total Disbursements	730,000	721,756	8,244	825,000	795,917	29,083
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	36,682	36,682	(100,000)	(49,935)	50,065
CASH, JANUARY 1	289,392	289,392	0	339,327	339,327	0
CASH, DECEMBER 31	289,392	326,074	36,682	239,327	289,392	50,065
LAW LIBRARY FUND						
RECEIPTS						
Charges for service:	9,200	8,675	(525)	9,500	9,135	(365)
Interest	70	78	8	50	69	19
Total Receipts	9,270	8,753	(517)	9,550	9,204	(346)
DISBURSEMENTS						
Publications	15,000	5,319	9,681	6,000	4,354	1,646
Total Disbursements	15,000	5,319	9,681	6,000	4,354	1,646
RECEIPTS OVER (UNDER) DISBURSEMENTS	(5,730)	3,434	9,164	3,550	4,850	1,300
CASH, JANUARY 1	12,105	12,105	0	7,255	7,255	0
CASH, DECEMBER 31	6,375	15,539	9,164	10,805	12,105	1,300
ASSOCIATE CIRCUIT DIVISION INTEREST FUND						
RECEIPTS						
Interest	0	292	292	1,100	872	(228)
Total Receipts	0	292	292	1,100	872	(228)
DISBURSEMENTS						
Equipment purchases:	0	4,969	(4,969)	4,000	0	4,000
Total Disbursements	0	4,969	(4,969)	4,000	0	4,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	(4,677)	(4,677)	(2,900)	872	3,772
CASH, JANUARY 1	0	5,602	5,602	4,730	4,730	0
CASH, DECEMBER 31	0	925	925	1,830	5,602	3,772

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
<u>CIRCUIT DIVISION INTEREST FUND</u>						
RECEIPTS						
Interest	100	1,419	1,319	600	538	(62)
Total Receipts	100	1,419	1,319	600	538	(62)
DISBURSEMENTS						
Other	4,922	0	4,922	4,000	0	4,000
Total Disbursements	4,922	0	4,922	4,000	0	4,000
RECEIPTS OVER (UNDER) DISBURSEMENTS	(4,822)	1,419	6,241	(3,400)	538	3,938
CASH, JANUARY 1	4,822	4,822	0	4,284	4,284	0
CASH, DECEMBER 31	0	6,241	6,241	884	4,822	3,938
<u>SHERIFF'S RESERVE FUND</u>						
RECEIPTS						
Donations	200	1,000	800	750	0	(750)
Sale of calendars	2,200	4,450	2,250	2,500	50	(2,450)
Total Receipts	2,400	5,450	3,050	3,250	50	(3,200)
DISBURSEMENTS						
Sheriff	5,700	3,044	2,656	2,800	2,258	542
Total Disbursements	5,700	3,044	2,656	2,800	2,258	542
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,300)	2,406	5,706	450	(2,208)	(2,658)
CASH, JANUARY 1	3,454	3,454	0	5,662	5,662	0
CASH, DECEMBER 31	154	5,860	5,706	6,112	3,454	(2,658)
<u>COMMISSARY FUND</u>						
RECEIPTS						
Charges for service:	30,250	44,000	13,750	12,720	29,134	16,414
Total Receipts	30,250	44,000	13,750	12,720	29,134	16,414
DISBURSEMENTS						
Supplies	22,000	26,486	(4,486)	6,000	19,476	(13,476)
Equipment purchases	16,000	7,627	8,373	10,000	7,459	2,541
Other	0	791	(791)	0	0	0
Total Disbursements	38,000	34,904	3,096	16,000	26,935	(10,935)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(7,750)	9,096	16,846	(3,280)	2,199	5,479
CASH, JANUARY 1	8,517	8,517	0	6,318	6,318	0
CASH, DECEMBER 31	767	17,613	16,846	3,038	8,517	5,479

Exhibit B

PERRY COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL - VARIOUS FUND

	Year Ended December 31,					
	2004			2003		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
SENATE BILL 40 BOARD FUND						
RECEIPTS						
Property taxes	211,800	219,867	8,067	183,000	212,056	29,056
Intergovernmental	1,015	496	(519)	0	1,265	1,265
Interest	4,195	2,631	(1,564)	2,100	4,837	2,737
Total Receipts	217,010	222,994	5,984	185,100	218,158	33,058
DISBURSEMENTS						
Equipment purchases	200	0	200	0	0	0
Agencies	303,264	282,069	21,195	317,614	287,463	30,151
Other	2,825	2,398	427	0	2,282	(2,282)
Total Disbursements	306,289	284,467	21,822	317,614	289,745	27,869
RECEIPTS OVER (UNDER) DISBURSEMENTS	(89,279)	(61,473)	27,806	(132,514)	(71,587)	60,927
CASH, JANUARY 1	130,438	126,261	(4,177)	197,848	197,848	0
CASH, DECEMBER 31	41,159	64,788	23,629	65,334	126,261	60,927
COLLECTOR'S TAX MAINTENANCE FUND						
RECEIPTS						
Charges for services				9,000	11,329	2,329
Interest				0	99	99
Other				0	200	200
Total Receipts				9,000	11,628	2,628
DISBURSEMENTS						
Collector				9,000	3,079	5,921
Total Disbursements				9,000	3,079	5,921
RECEIPTS OVER (UNDER) DISBURSEMENTS				0	8,549	8,549
CASH, JANUARY 1				458	458	0
CASH, DECEMBER 31				458	9,007	8,549

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

PERRY COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying financial statements present the receipts, disbursements, and changes in cash of various funds of Perry County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, the Senate Bill 40 Board, the Mental Health Center Board, or the Sanitary Landfill Committee. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from accounting principles generally accepted in the United States of America. Those principles require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Collector's Tax Maintenance Fund	2004
Circuit Clerk's Time Payment Record Fund	2004 and 2003
Circuit Clerk's Juvenile Fees Fund	2004 and 2003
Sheriff's Revolving Fund	2004

Section 50.740, RSMo, prohibits expenditures in excess of the approved budgets. However, expenditures exceeded budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Assessment Fund	2003
Perry County Health Center Building Fund	2003
Local Park Sales Tax Fund	2004
Sheriff's Civil Fees Fund	2004 and 2003
Perry County Health Insurance	2003
Associate Circuit Division Interest Fund	2004
Commissary Fund	2003

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund. However, the county's published financial statements did not include the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Collector's Tax Maintenance Fund	2004
Circuit Clerk's Time Payment Record Fund	2004 and 2003
Circuit Clerk's Juvenile Fees Fund	2004 and 2003
Sheriff's Revolving Fund	2004

2. Cash

Section 110.270, RSMo, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo, requires political subdivisions with authority to invest in instruments other than depositary accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial

institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The financial statements do not include the cash balances of the County Collector, who collects and distributes property taxes as an agent for various local governments. However, for the purpose of these risk disclosures, the County Collector's cash balances are included since collateral securities to cover amounts not covered by federal depository insurance are pledged to the county rather than to specific county officials. In addition, the Mental Health Board and Senate Bill 40 Board cash balances are included in the financial statements and are included in the analysis of the county's collateral securities since these boards are also covered by the county's collateral securities.

The county's deposits at December 31, 2004, were entirely covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name.

Of the county's bank balance at December 31, 2003, \$8,007,970 was covered by federal depository insurance or by collateral securities held by the county's custodial bank in the county's name, and \$573,556 was uninsured and uncollateralized.

The Health Center Board's deposits at December 31, 2004 and 2003, were entirely covered by federal depository insurance or by collateral securities held by the board's custodial bank in the board's name.

To protect the safety of county deposits, Section 110.020, RSMo, requires depositories to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

3. Prior Period Adjustment

The Circuit Clerk's Juvenile Fees Fund's cash balance of \$200 at January 1, 2003, was not previously reported but has been added.

Schedule

PERRY COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND RESPONSES
YEARS ENDED DECEMBER 31, 2004 AND 2003

This schedule includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Follow-up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

PERRY COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

The prior audit report issued for the two years ended December 31, 2002, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Findings

PERRY COUNTY, MISSOURI
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S FINDINGS

We have audited the financial statements of various funds of Perry County, Missouri, as of and for the years ended December 31, 2004 and 2003, and have issued our report thereon dated September 1, 2005.

In addition, we have audited the operations of elected officials with funds other than those presented in the financial statements to comply with the State Auditor's responsibility under Section 29.230, RSMo, to audit county officials at least once every 4 years. The objectives of this audit were to:

1. Review the internal controls over the transactions of the various county officials.
2. Review compliance with certain legal provisions.

Our methodology to accomplish these objectives included reviewing accounting and bank records and other pertinent documents; interviewing various personnel of the county officials, as well as certain external parties; and testing selected transactions.

In addition, we obtained an understanding of internal controls significant to the audit objectives and considered whether specific controls have been properly designed and placed in operation. However, providing an opinion on internal controls was not an objective of our audit and accordingly, we do not express such an opinion.

We also obtained an understanding of legal provisions significant to the audit objectives, and we assessed the risk that illegal acts, including fraud, and violations of contract, grant agreement, or other legal provisions could occur. Based on that risk assessment, we designed and performed procedures to provide reasonable assurance of detecting significant instances of noncompliance with the provisions. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion.

Our audit was conducted in accordance with applicable standards contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and included such procedures as we considered necessary in the circumstances.

This Management Advisory Report (MAR) presents any findings arising from our audit of the elected county officials referred to above. In addition, this report includes any findings other than those, if any, reported in the accompanying Schedule of Findings and Responses. These MAR findings resulted from our audit of the financial statements of Perry County but do not meet the criteria for inclusion in the written report on internal control over financial reporting and on compliance and other matters that is required for an audit performed in accordance with *Government Auditing Standards*.

1.**County Expenditures**

Bids were not always solicited, nor was bid documentation always retained. The county did not enter into a formal written agreement for excavation services.

- A. Bids were not always solicited, nor was bid documentation always retained for various purchases made by the county during the audit period. Examples of items purchased for which bids were not solicited or adequate documentation could not be located were as follows:

<u>Item Purchased</u>	<u>Amount</u>
Excavation Services	\$18,120
Ballot Printing Services	9,296
Elevator Maintenance	<u>6,083</u>
Total	<u>\$33,499</u>

Section 50.660, RSMo, requires bids for all purchases or services of \$4,500 or more, from any one person, firm, or corporation during any period of ninety days.

Bidding procedures for major purchases provide a framework for economical management of county resources and help assure the county that it receives fair value by contracting with the lowest and best bidders. Competitive bidding ensures all parties are given equal opportunity to participate in county business. Documentation of bids should include, at a minimum, a listing of vendors from whom bids were requested, a copy of the request for proposal, newspaper publication notices when applicable, bids received, the basis and justification for awarding bids, and documentation of all discussions with vendors.

- B. The county did not enter into a formal written agreement for contract services for excavation services costing \$18,120. Given that no bids were received for these services and the county has no contract with this company, the county is unable to ensure the appropriate services were received at the proper price.

Written agreements provide the framework necessary to detail the services to be provided and the compensation to be paid. In addition, Section 432.070, RSMo, prohibits a county from making a contract unless it is in writing. In addition to being required by statute, written contracts are necessary to document the duties, rights, and responsibilities of each party and should establish performance criteria which must be met prior to payment for work completed. Commission minutes should document approval of all agreements.

WE RECOMMEND the County Commission:

- A. Solicit bids for all items in accordance with state law. Documentation of bids solicited and justification of bid awards should be maintained by the County Clerk. If bids cannot be obtained and sole source procurement is necessary, the County Commission minutes should reflect the circumstances.
- B. Ensure that contracts are obtained and entered into for services received.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *The excavation services were for work done at the Perry County Landfill when methane monitoring devices showed the presence of methane at the landfill. This is an ongoing problem that is being closely monitored by the Missouri Department of Natural Resources and they indicated that this work needed to be completed promptly. The amount of work to be done was unknown and the company had provided excavation services at the landfill before. We did not know if this work would exceed the \$4,500 threshold. This is the only company in the county that can perform this work.*

The ballot printing services were for a primary election and the company used has been printing the ballots for Perry County for nineteen years. Commission minutes should have reflected the circumstances of this expense.

The elevator maintenance expenses were necessary because of new state elevator inspection laws and the state would not license the county's elevators without the expense. The company that completed the work was the one that maintains the elevators. Quotations for the work were completed and the work was necessary in order for the county to be in compliance with the state guidelines.

Our policy is to obtain bids in accordance with statutes.

- B. *We will ensure contracts are entered into in the future.*

2.

Commission Minutes

County Commission minutes are not signed by the County Clerk or the County Commission . Minutes are not always prepared to document closed meetings.

- A. County Commission minutes prepared by the County Clerk are not signed by anyone. The minutes should be signed by the County Clerk and then by the County Commission to provide an independent attestation that the minutes are a correct record of the matters discussed and actions taken during the commission meetings.

Section 51.120, RSMo, requires the County Clerk to keep an accurate record of the orders, rules, and proceedings of the County Commission. Approval not only ensures authenticity of official minutes, but also allows a review of the contents to ensure that the minutes include all important information regarding the meetings held.

- B. Minutes were not always prepared to document the matters discussed in closed meetings.

Effective August 28, 2004, Section 610.020, RSMo, requires a journal or minutes of open and closed meetings be taken and retained by the public governmental body, including, but not limited to, a record of any votes taken at such meeting. The minutes shall include the date, time, place, members present, members absent and a record of any votes taken.

WE RECOMMEND the County Commission:

- A. Ensure the commission minutes are signed by the County Clerk upon preparation and the County Commission upon approval.
- B. Ensure minutes are prepared, approved, and retained for all closed meetings.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *Commission minutes were signed by the Commission in prior years, only changing when the minutes program currently used was put in place. Signatures will be in place from now on.*
- B. *No decisions were made during these meetings. Notes were kept, but were not formalized. In the future, minutes will be kept.*

3. Vehicles and Equipment

The county does not maintain adequate usage logs for Road and Bridge vehicles and equipment and the county van. In addition, an inventory record is not maintained for bulk fuel tanks used for vehicles and equipment for the Road and Bridge and Sheriff departments. Fuel purchases are not being tracked for the county van. County vehicles are used for commuting by eight Road and Bridge employees and this benefit is not recorded on the employee's W-2.

- A. The county does not maintain adequate usage logs to document the appropriate use of the vehicles and equipment. The Road and Bridge department maintains usage logs for its twenty-nine vehicles and sixteen pieces of equipment, but the logs do not consistently contain mileage, destination, and purpose of each trip. Also, a usage log is not maintained for the county van.

Without adequate usage logs, the county cannot effectively monitor that vehicles are used for official business only. These logs should be reviewed by a supervisor to ensure vehicles and equipment are used only for county business and to help identify vehicles and equipment which should be replaced.

- B. An inventory record is not maintained for bulk fuel tanks used for Road and Bridge and Sheriff department vehicles and equipment. The county spent approximately \$99,800 and \$74,400 in 2004 and 2003, respectively, for fuel for the bulk tanks. Furthermore, fuel purchases for the county van made at gas stations are not tracked to support fuel charges. To ensure the reasonableness of fuel expenditures, the Road and Bridge department and the Sheriff's Office should maintain a fuel inventory record of the amount of fuel in the tanks. The fuel on hand in the tanks should be measured on a periodic basis and agreed to the fuel inventory record.

Failure to inventory and reconcile fuel usage to fuel purchases increases the risk that theft or misuse of fuel could occur and not be detected. Periodic physical inventories of the bulk fuel tanks are necessary to ensure the records are accurate, identify any unrecorded additions and deletions, and detect possible loss or theft. Information on the fuel usage logs should be reconciled to fuel purchases on a periodic basis.

- C. Eight Road and Bridge employees are allowed to use county vehicles to commute to and from work. However, the county does not have a written policy allowing the use of these vehicles for commuting purposes. The county did not include the value of the commuting miles or vehicles on these employees' W-2s. The vehicle usage logs indicate these eight employees commute a total of approximately 190 miles per day. If the County Commission believes that these employees should be exempt from taxable fringe benefits because the commuting miles benefit the county, this decision should be adequately documented in a policy.

Internal Revenue Service (IRS) reporting guidelines indicate personal commuting mileage is a reportable fringe benefit. IRS guidelines also require the full value of the provided vehicle to be reported if the employer does not require the submission of detailed logs which distinguish between business and personal usage. Because procedures have not been established to ensure the IRS regulations are followed, the county may be subject to penalties and/or fines for failure to report all taxable benefits.

WE RECOMMEND the County Commission:

- A. Ensure logs are maintained for vehicles and equipment which include the purpose and destination of each trip, the daily beginning and ending odometer readings for vehicles or hour readings for equipment, and the operation and maintenance costs. In addition, these logs should be reviewed by a supervisor to ensure vehicles and equipment are used only for county business, to help identify vehicles and equipment which should be replaced.
- B. Ensure fuel logs are maintained which are periodically reconciled to fuel purchases. In addition, the County Commission should ensure an inventory record is maintained for fuel stored in bulk tanks, a physical inventory of the fuel is performed, and the equipment fuel usage logs are reconciled to fuel used on the bulk fuel inventory records and reviewed for reasonableness.
- C. Comply with IRS guidelines for reporting fringe benefits related to commuting in county owned vehicles, or adequately document their reasoning for exempting these individuals in a written policy.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *We have started keeping a log for the county van. We will revise the logs used in Road and Bridge vehicles to include all necessary information.*
- B. *It is our intention to develop a policy that will give direction to every Perry County elected official and employee on the proper procedure to use when purchasing fuel for county owned vehicles and equipment, as well as the procedure to use when logging fuel consumption and keeping accurate fuel records. Also, the appropriate reconciliation of such fuel logs will be done on a monthly basis.*
- C. *We will revise county policy specifically stating that county vehicles are restricted for use only for county business and that any personal use of the county owned vehicle is strictly prohibited. Such policy will state the need for certain employees to have access to vehicles for emergency purposes on a 24 hour basis.*

4.**Budgetary Practices**

Actual disbursements exceeded the budgeted amounts in the various funds as follows:

<u>Fund</u>	Years Ended December 31,	
	<u>2004</u>	<u>2003</u>
Assessment	N/A	\$5,396
Local Park Sales Tax	8,109	N/A
Commissary Fund	N/A	10,935
County Health Insurance	N/A	11,674
Sheriff's Civil Fees	1,676	194
Associate Circuit Division Interest	4,969	N/A

It was ruled in State ex. rel. Strong v. Cribb, 364 Mo.1122, 273 S.W.2d 246 (1954), that strict compliance with the county budget law is required by county officials. If there are valid reasons which necessitate excess disbursements, budget amendments should be made following the same process by which the annual budget is approved, including holding public hearings and filing the amended budget with the State Auditor's Office. In addition, Section 50.622, RSMo, provides that counties may amend the annual budget during any year in which the county receives additional funds which could not be estimated when the budget was adopted and that the county shall follow the same procedures required for adoption of the annual budget to amend its budget.

A similar condition was noted in a prior audit.

WE RECOMMEND the County Commission and various officials refrain from incurring expenditures in excess of budget amounts. If the county receives additional funds which could not be anticipated when the budget was adopted, the County Commission should amend its budget by following procedures required by state law.

AUDITEE'S RESPONSE

The County Commission provided the following response:

The Assessment budget was exceeded late in the year upon purchase of new assessment software and did not get formally amended. The County Health Insurance fund was closed out in 2003.

The Sheriff provided the following response:

We will work with the County Clerk and the County Commission to amend budgets as necessary.

The Circuit Clerk provided the following response:

We will request the County Clerk to provide a budget form for interest receipts and expenditures for 2006.

5. Road and Bridge Maintenance Plan
--

A formal maintenance plan for county roads and bridges has not been prepared. A maintenance plan should be prepared in conjunction with the annual fiscal budget and include a description of the roads and bridges to be worked on, the type of work to be performed, an estimate of the quantity and cost of materials needed, dates such work could begin, the amount of labor required to perform the work, and other relevant information. The plan should be referred to in the budget message and approved by the County Commission. In addition, the County Commission should consider holding a public hearing to obtain input from county residents.

A formal maintenance plan would serve as a useful management tool and provide greater input into the overall budgeting process. A plan provides a means to continually and more effectively monitor and evaluate the progress made in the repair and maintenance of roads and bridges throughout the year.

WE RECOMMEND the County Commission prepare and document a road and bridge maintenance plan at the beginning of the calendar year and periodically update the plan throughout the year. In addition, the County Commission should review the progress made in the repair and maintenance of roads and bridges to make appropriate decisions on future projects.

AUDITEE'S RESPONSE

The County Commission provided the following response:

A Road and Bridge maintenance plan will be implemented at the beginning of the calendar year for the purpose of identifying proposed large projects that are anticipated for the upcoming year. This plan would be updated quarterly. However, it is not practical to try and predict small or otherwise routine maintenance projects that effect the county road system.

6.**Property Tax System**

The County Clerk does not maintain an account book with the County Collector. Additions and abatements are not consistently approved by the County Commission as they occur.

- A. The County Clerk does not maintain an account book with the County Collector. An account book would summarize all taxes being charged to the County Collector, monthly collections, delinquent credits, abatements and additions, and protested amounts. These amounts could then be verified by the County Clerk from aggregate abstracts, tax books, court orders, monthly collection reports, and totals of all charges and credits. A complete account book would enable the County Clerk to ensure the amount of taxes charged and credited to the County Collector each year is complete and accurate and could also be used by the County Commission to verify the County Collector's annual settlement. In addition, Section 51.150(2), RSMo, requires the County Clerk to maintain accounts with all persons chargeable with monies payable into the county treasury.
- B. Additions and abatements of property taxes are not consistently approved by the County Commission as they occur. The Assessor issues orders for additions and abatements and sends a copy to the County Clerk and County Collector. The County Clerk then makes changes in the property tax book records for the additions and abatements. The County Commission does not approve additions to the property tax records. Abatements are only approved by the County Commission if there was a mistake in the assessment of the real estate property or if the taxpayer paid their property taxes in another county. Other abatements are not approved by the County Commission.

Section 137.260, RSMo, requires the tax books only be changed by the County Clerk under order of the County Commission. Controls should be established so that the County Clerk periodically reconciles all additions and abatements to changes made to the property tax system and charges these amounts to the County Collector. Further, court orders should be approved, at least monthly, by the County Commission for all additions and abatements to the property tax system.

WE RECOMMEND the County Commission:

- A. Require the County Clerk maintain an account book with the County Collector in accordance with statutes. In addition, the County Commission should consider using the account book to verify the County Collector's annual settlements.
- B. Review and approve all additions and abatements on a timely basis.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *The County Clerk is reviewing the Collector's work. In the future, this review will be documented.*
- B. *The County Clerk does review the property tax roles regularly and checks all additions and abatements for accuracy. Additions and abatements will be noted in the Commission minutes on a monthly basis.*

7. County Officials' Compensation and Bonding
--

Salary commission minutes did not clearly document the cost of living adjustment given to county officials. Various county officials are not covered by an employee bond.

- A. County officials received a cost of living adjustment (COLA) of three percent in 2004 and 2003, two and one half percent in 2002, and six percent in 2001. The county salary commission met in November 1997, and discussed salaries; however, the salary commission minutes did not clearly document the approval of the COLA. The Salary Commission did not meet in 1999 or 2001. Future salary commission minutes should clearly document all decisions regarding salary issues.
- B. Various county employees that receipt and deposit monies are not covered by an employee bond. Properly bonding all persons with access to monies would better protect the officials and county from risk of loss.

WE RECOMMEND the County Commission:

- A. Ensure all salary commission minutes clearly document all decisions made.
- B. Obtain adequate bond coverage for all persons with access to monies.

AUDITEE'S RESPONSE

The County Commission provided the following responses:

- A. *It is our intention to specifically include in the minutes of the Salary Commission detailed motions to authorize the County Commission to pay COLA.*
- B. *We have changed some cash handling duties. We will review this to see who needs to be covered.*

8.**Circuit Clerk Controls and Procedures**

Receipt slips are not issued immediately for some monies received and monies are not always deposited timely. Checks and money orders are not restrictively endorsed immediately upon receipt. The Circuit Clerk's Office has not established procedures to follow up on outstanding checks and to ensure all accrued costs are adequately identified and pursued.

The Circuit Clerk's Office processes receipts and disbursements for the Circuit Court and the Associate Court. Receipts from fines and costs for criminal and civil cases totaled approximately \$824,000 and \$939,000 during the years ended December 31, 2004 and 2003, respectively. The Circuit Clerk uses the Judicial Information System (JIS) for recording cases, receiving payments, and disbursing funds.

- A. Receipt slips are not issued immediately for some monies received and monies are not always deposited timely. When payments are received through the mail from an attorney, a clerk will attach the check, with the case information which is then placed in the Circuit Clerk's vault. Receipt slips are not issued for the monies until the case information is entered into the JIS System. After our July 2005 cash count the Circuit Clerk took approximately nine days to enter sixteen cases in the amount of \$1,863 into the JIS System and issue a receipt slip.

In addition, receipts are not deposited on a timely basis. For example, receipts dating back to July 12, 2005 and totaling \$2,104 were on hand on July 26, 2005. The receipts collected in the mail from attorneys for new cases are not deposited until the case file is entered in the computer system which is approximately ten days. When payments are received for new cases by individuals walking into the office, a manual receipt slip is issued immediately, but the funds are not deposited until the case is entered into JIS. During 2004, the Circuit Clerk's Office entered manual receipt slips into the JIS system approximately four days after their receipt and deposited manual receipts approximately five days after their receipt.

To adequately account for all receipts, pre-numbered receipt slips should be issued for all monies received immediately upon receipt and the numerical sequence accounted for properly. In addition, to adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, all monies received should be recorded and deposited intact daily or when accumulated receipts exceed \$100.

- B. Checks and money orders are not restrictively endorsed immediately upon receipt. Instead, the endorsement is applied at the time the deposit is made. To reduce the risk of loss or misuse of funds, checks and money orders should be restrictively endorsed immediately upon receipt.

- C. The Circuit Clerk's Office has not established procedures to routinely follow up on outstanding checks. At December 31, 2004, the Circuit Court's bank account had twenty-two outstanding checks totaling approximately \$1,812 that were over one year old. In addition, the Associate Court's bank account had twenty-nine outstanding checks over a year old which totaled \$1,997. These old outstanding checks create additional and unnecessary recordkeeping responsibilities. The Circuit Clerk's Office should adopt procedures to routinely follow up on outstanding checks and reissue them if the payees can be located. If the payees cannot be located or identified, these monies should be disposed of in accordance with state law.
- D. Formal procedures have not been established by the Circuit Clerk to ensure all accrued costs are adequately identified and pursued. In addition, summary records have not been maintained of the accrued costs balance. When costs are initially assessed to a case, the Circuit Clerk prepares and sends a cost bill to the defendant. Prior to January 2005, the Circuit Clerk did not initiate any further collection procedures. On January 1, 2005, the Circuit Clerk started using the state's debt collection agency for the collection of outstanding court costs.

In August, 2005, the Circuit Clerk printed an accrued cost report, which indicated there was approximately \$519,900 in accrued case costs. A payment plan report indicated \$76,100 had been turned over to the debt collection agency during 2005. However, the remaining \$443,800 has not been pursued or turned over to the collection agency.

To ensure that all applicable receipts are received by the court, formal procedures should be established and records of accrued cost balances should be maintained. These records should be periodically reviewed to ensure accrued costs are identified and followed up in a timely manner.

WE RECOMMEND the Circuit Clerk:

- A. Issue receipt slips for all monies received immediately upon receipt. In addition, deposit receipts daily or when accumulated receipts exceed \$100.
- B. Restrictively endorse checks and money orders immediately upon receipt.
- C. Establish procedures to routinely follow up and reissue old outstanding checks. If the payees cannot be located, these monies should be disposed of in accordance with state law.
- D. Maintain a complete listing of accrued costs and establish procedures to routinely follow-up and pursue timely collection.

AUDITEE'S RESPONSE

The Circuit Clerk provided the following responses:

- A. New civil case filings will be entered into JIS on Mondays and Wednesdays which will reduce the time until receipts can be deposited. Deposits are made daily for everything that has been entered into JIS.*
- B. The reception desk clerk will endorse checks immediately upon receipt.*
- C. I will review outstanding checks in June and December of each year to clear unclaimed funds.*
- D. In January, I will request some special projects money so we can put some of the old accrued costs on payment plans. All current cases with outstanding balances are put on payment plans which allows them to be turned over to the debt collection agency and tax intercept program.*

9.

County Collector

The method of payment is not indicated on the tax receipts, monies are not deposited intact, and receipt slips are not issued for monies received for copies or tax waivers. The County Collector is not restrictively endorsing checks and money orders immediately upon receipt.

- A. The method of payment (cash, check, and money order) is not indicated on the Collector's copy of the tax receipt. When property taxes are paid in cash, a calculator tape is prepared showing the change returned. The calculator tape is then attached to the collector's copy of the tax receipt, and at the end of the day the Collector will compare the composition of the receipts to the deposit using the calculator tapes. However once receipts are reconciled to the deposit, the calculator tapes are discarded. In addition, monies are not deposited intact as cash refunds are made for overpayments of fees paid by check. To ensure receipts are accounted for properly, all monies should be deposited intact, all refunds should be made by check, the method of payment should be recorded on the tax receipts and the composition of the tax receipts should be reconciled to the composition of deposits.
- B. Receipt slips were not issued for copies or tax waivers, and the receipt slips issued for partial payments of property taxes were not pre-numbered. To help ensure receipts are properly recorded and deposited, pre-numbered receipt slips should be issued for all monies received immediately upon receipt.
- C. Checks and money orders are not restrictively endorsed immediately upon receipt. Instead, the endorsement is applied at the time the deposit is made. To reduce the risk of loss or misuse of funds, checks and money orders should be restrictively endorsed immediately upon receipt.

WE RECOMMEND the County Collector:

- A. Deposit all monies intact, write checks for refunds of overpayments, document the method of payment on the collector's copy of the tax statements, and reconcile the composition of the tax statements to the composition of the deposits.
- B. Ensure pre-numbered receipt slips are issued for all monies received.
- C. Restrictively endorse checks and money orders immediately upon receipt.

AUDITEE'S RESPONSE

The County Collector provided the following responses:

- A. *We currently have that update feature included with the new office software we hope to purchase in the future. The current situation has always worked in the past and we are now keeping the calculator tapes after the receipts are reconciled until the new software implementation is complete, hopefully sometime in 2006.*

The small refunds have been handled in this manner in the past and have always worked for the constituents. Our records show approximately only 20 per year and under \$20 on average for a money order.

- B. *We will probably not charge the constituents for a tax waiver in the future (2006). We no longer charge for a tax copy because of emailing tax bills, online lookup, etc. to be fair to all constituents.*
- C. *We will look into doing this during the current tax season (2005). Checks are continually endorsed several times during the day when receipts are totaled up and then when checking the drawer out for depositing.*

10.

County Clerk

The County Clerk's Office collects various fees which are held until they are transmitted to the County Treasurer. Each Friday, the Landfill/Transfer Station transmits the cash and checks collected for landfill fees to the County Clerk's Office. The County Clerk's Office agrees these receipts to the invoices prepared by the Landfill/Transfer Station and transmits the receipts to the County Treasurer. However, the County Clerk's Office does not compare the composition of the receipts to the composition indicated on the invoices. The County Clerk's Office received approximately \$520,000 and \$517,000 for the years ended December 31, 2004 and 2003, respectively, for Landfill/Transfer Station fees.

Receipt slips are not issued for monies received from the Landfill/Transfer Station. In addition, receipt slips are not issued for monies received in the mail and receipt slips are not

always issued in sequential order. To ensure monies are properly accounted for and transmitted intact, pre-numbered receipt slips should be issued for all monies received and the composition of receipt slips issued should be reconciled to the composition of transmittals to the County Treasurer.

WE RECOMMEND the County Clerk ensure receipt slips are issued for all monies received and the composition of invoices prepared by the Landfill/Transfer Station is reconciled to the composition of transmittals to the County Treasurer.

AUDITEE'S RESPONSE

The County Clerk provided the following response:

The County Clerk's Office no longer receives landfill/transfer station monies. The County Clerk's Office is currently issuing receipt slips for all monies received.

11. Prosecuting Attorney Controls and Procedures

The Prosecuting Attorney's cash handling and receipt procedures are not adequate. Restitution payments are not made to victims on a timely basis. In addition, an adequate system to account for bad check complaints has not been established. The Prosecuting Attorney's Office received approximately \$104,000 and \$52,000 for the years ended December 31, 2004 and 2003, respectively, for restitution monies.

A. Monies for bad check fees received are not transmitted to the County Treasurer in a timely manner. In addition, court ordered restitution monies received are not being deposited on a timely basis. Bad check fees averaging \$400 are transmitted to the County Treasurer approximately once a week. In addition, court ordered restitution monies averaging \$1,700 are deposited approximately once a week.

To adequately safeguard receipts and reduce the risk of loss or misuse of funds, receipts should be deposited or transmitted daily or when accumulated receipts exceed \$100.

B. Money orders received for court ordered restitution and bad check fees are not restrictively endorsed immediately upon receipt. To reduce the risk of loss or misuse of funds, cashiers checks and money orders should be restrictively endorsed immediately upon receipt.

C. The Prosecuting Attorney's Office has not established procedures to routinely follow up on outstanding checks. At December 31, 2004, the Prosecuting Attorney's bank account had eighteen outstanding checks totaling approximately \$2,295 that were over one year old. These old outstanding checks create additional and unnecessary recordkeeping responsibilities. The Prosecuting Attorney's Office should adopt procedures to routinely follow up on outstanding checks and reissue them if the

payees can be located. If the payees cannot be located or identified, these monies should be disposed of in accordance with state law.

- D. The Prosecuting Attorney's Office accumulates partial payments on court ordered restitution until significant amounts have been received and then distributes the funds to the victims. As of December 31, 2004, the balance of the court ordered restitution account was approximately \$43,685. This money had been collected on behalf of the victims by order of the court to pay restitution. Several cases had undistributed balances in excess of \$100. For example, one account had been credited with nineteen payments, accumulating a balance of approximately \$2,700 and no distributions had been made to the victims.

To expedite the distribution of restitution to victims and to reduce the amount of open items necessary to be accounted for, the Prosecuting Attorney's Office should consider distributing restitution payments to the victims on a more timely basis.

- E. An adequate system to account for all bad check complaints received by the Prosecuting Attorney's Office, as well as the subsequent disposition of these complaints, has not been established. The bad check complaints are not assigned sequential control numbers nor are they recorded on an initial log or listing as they are received. In addition, we noted some bad check complaints were not followed up on timely. When a bad check complaint is received, the Prosecuting Attorney's Office sends a letter to the offender giving the individual ten days to pay all amounts owed. However, we noted a bad check which was not paid until 27 days after the payment due date and another bad check where payment was received 45 days after the due date. The Prosecuting Attorney's Office did not file charges against these offenders when the payment due date passed.

To ensure all bad checks turned over to the Prosecuting Attorney are properly handled, a sequential number should be assigned to each bad check complaint received and a log should be maintained listing each complaint and its disposition. The log should contain information such as the complaint number, the merchant's name, the issuer of the check, the amount of the bad check fee, and the disposition of the bad check, including the date restitution was received and disbursed to the merchant, the date and criminal case in which charges were filed, or other disposition. To ensure all bad checks have been collected or prosecuted, the Prosecuting Attorney should implement procedures to periodically review the initial log or listing to ensure the disposition of all cases has been properly recorded and appropriate follow up procedures are performed on all unpaid bad checks.

Similar conditions were noted in our two prior reports.

WE AGAIN RECOMMEND the Prosecuting Attorney:

- A. Deposit or transmit monies daily or when accumulated receipts exceed \$100.

- B. Restrictively endorse money orders immediately upon receipt.
- C. Establish procedures to routinely follow up and reissue old outstanding checks. If the payees cannot be located, these monies should be disposed of in accordance with state law.
- D. Consider distributing restitution payments to victims on a more timely basis.
- E. Assign sequential control numbers to bad check complaints and maintain a log to adequately account for bad check complaints as well as the ultimate disposition.

AUDITEE'S RESPONSE

The Prosecuting Attorney provided the following responses:

- A. *We will deposit as often as we can.*
- B. *We have implemented this recommendation.*
- C. *We are reviewing these old checks and are trying to locate the vendor, so disbursement can be made.*
- D. *We have computerized restitution receipts and disbursements during the past six months. The balance of the court ordered restitution has been reduced to approximately \$16,000. We will continue to work on this.*
- E. *We hope to have a computer program by the spring of 2006 that will implement these procedures.*

12. Recorder Controls and Procedures

The numerical sequence of document numbers issued is not accounted for and receipts are not always deposited intact.

The Recorder collects various fees for recording documents such as deeds and marriage licenses. During the years ended December 31, 2004 and 2003, receipts totaled approximately \$207,000 and \$270,000, respectively. Our review of the Recorder's accounting controls and procedures revealed the following areas of concern:

- A. The Recorder's Office does not account for the numerical sequence of document numbers issued. The Recorder issues a document number for each document recorded instead of issuing prenumbered receipt slips. However, document numbers can be voided in the computer system and a new document can be entered with the

same document number. Documentation is not maintained to support the deletion of document numbers or the reason for the deletions. The Recorder's Office is not producing a report to account for the document numbers deleted. To properly account for all document fees and ensure all fees are deposited into the Recorder's bank account, the Recorder should establish procedures to ensure that the numerical sequence of all document numbers can be accounted for, including voided numbers. In addition, documentation should be maintained to support the deletion of document numbers and the reason for the deletions.

- B. Receipts are not always deposited intact. When checks are received which exceed the amount due, cash refunds are given and the checks are deposited. Cash received for copies is kept separately from monies received for recording documents. The monies received for recording documents are sometimes exchanged for copy monies to make these cash refunds. Although recording receipts are deposited daily, copy monies are only deposited about twice a month. To safeguard receipts and reduce the risk of loss, theft or misuse of funds, receipts should be deposited intact daily, and all refunds should be made by check.

WE RECOMMEND the Recorder of Deeds:

- A. Establish procedures to adequately account for the numerical sequence of document numbers. In addition, documentation should be maintained to support the deletion of document numbers and the reason for the deletions.
- B. Deposit all receipts intact daily, and issue refunds by check.

AUDITEE'S RESPONSE

The Recorder provided the following responses:

- A. *The Recorder's Office begins with the document number one at the beginning of each new year. Our numbers run consecutively and no numbers should be missing. If a number is not used it will still appear in sequence and there will be a written notice why the number was not used. The Document Activity Log report shows document numbers and deletion activity. Deletions are made generally during the tendering process because of human error. Examples of errors are: entering wrong number of pages, entering wrong tender type, and entering wrong amount paid. In order to correct these errors, our software system requires we delete the original entry and re-enter under the same abandoned/deleted number. When document numbers are deleted, an activity log report will be run showing the deletion of that document number and the reason for deletion.*
- B. *Our office policy is to refund cash when the recording fee is paid in excess of the recording fee. Refunds generally range from \$3 to \$12. Refunds are only given to our counter customers. Fees received by mail, UPS, Fedex, etc that exceed the recording fee are returned to the customer for the correct fees. I feel we do deposit all recording fees intact*

daily. If we have to cash out a check from our daily deposits in copy money a notation is made and it is generally put back in our daily deposit the next day if possible. There was no money missing in our daily deposits and all monies were accounted for. I will deposit copy money when the total reaches \$100.

13.

Sheriff's Controls and Procedures

Commissary account and vending machine profits are not turned over to the county. A listing of open items for the commissary account is not prepared monthly. Receipts are not deposited on a timely basis. There are no written contracts for the housing of prisoners from some political subdivisions.

The Sheriff's Office maintains three bank accounts; a general account (used for fees and other monies) a commissary account (used for prisoner monies, commissary commissions and vending machine commissions) and a reserve account (used for calendar sales, donations and payments for security services provided at local fairs). During the years ended December 31, 2004 and 2003, the Sheriff's Office deposited approximately \$455,000 and \$321,000, respectively, into these three accounts. Our review of controls and procedures related to the Sheriff's bank accounts revealed the following weaknesses:

A. We noted the following concerns related to the commissary and reserve accounts:

- 1) The Sheriff's Office receives a commission based on the amount of commissary purchases made by prisoners. As of December 31, 2004, commissary profits totaling \$16,059 were maintained in the commissary account. In addition, the Sheriff's Office receives a commission based on the amount of sales from the public vending machines located in the lobby of the Sheriff's Office. As of December 31, 2004, vending machine profits totaling \$1,554 were maintained in the commissary account. Commissary profits and vending machine profits should be deposited into the county treasury and handled like other county funds.

In addition, the Sheriff's Office maintains a reserve account which is used for calendar sales, donations, and payment for security services provided at local fairs. As of December 31, 2004, the reserve account had a balance of \$5,860. These monies should also be deposited into the county treasury and handled like other county funds.

Section 50.370, RSMo, requires every county official who receives any fees or other remuneration for official services to pay such money to the county treasury.

- 2) Monthly bank reconciliations of the commissary account are performed, but a monthly listing of open items (liabilities) is not prepared. The total amount

of prisoner monies in the Sheriff's commissary account is not reconciled to the individual prisoner balance.

Monthly reconciliations of open items and individual prisoner accounts to the reconciled bank balance are necessary to ensure the bank account is in agreement with the accounting records and to detect and correct errors on a timely basis.

- B. Receipts are not deposited on a timely basis. Sheriff's receipts and commissary monies are deposited approximately every four days. During December 2004, five deposits were made to the Sheriff's general account, averaging \$5,449. Receipts dating back to May 19, 2005 and totaling \$7,559 had not been deposited on May 31, 2005. Of this amount, \$3,944 was cash. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits should be made daily or when receipts exceed \$100.
- C. The county houses prisoners for the United States Department of Justice, cities within the county, and outlying counties. The county received approximately \$474,161 and \$305,110 for housing prisoners during the years ended December 31, 2004 and 2003, respectively.

With the exception of the United States Department of Justice, the Sheriff's Office does not have written contracts with the various political subdivisions to house their prisoners. Currently, the Sheriff's Office charges the Department of Justice, \$45 a day; however, the City of Perryville is charged \$22.50 a day, and the outlying county of Cape Girardeau is charged \$35 a day, per inmate. If the rates charged are not sufficient to recover all costs, the county is possibly subsidizing the cost to house other political subdivisions' prisoners. The County Commission and Sheriff should develop written contracts with those entities, other than the Department of Justice, regarding inmate housing and related fees. The County Commission and Sheriff should periodically review the costs of operating the jail, including any indirect costs, and establish an appropriate billing rate for all political subdivisions housing prisoners in the county jail.

Section 432.070, RSMo, states all contracts entered into by the county shall be in writing and shall be signed by each of the parties or their agents. In addition to being required by statute, written contracts are necessary to document the duties and responsibilities of each party.

Condition C was also noted in our prior audit.

WE RECOMMEND the Sheriff:

- A.1. Discontinue the practice of maintaining commissary profits, vending machine profits, and reserve account monies outside the county treasury. These monies should be turned over to the county treasury on a periodic basis.
- 2. Prepare monthly listings of open items for the commissary account. In addition, reconcile the individual prisoner balances to the total amount of prisoner monies in the account.
- B. Deposit receipts daily or when accumulated receipts exceed \$100.
- C. And the County Commission establish a billing rate appropriate for housing inmates in the county jail, and enter into written contracts as required by law.

AUDITEE'S RESPONSE

The Sheriff provided the following responses:

- A.1. *We will turn commissary profits over to the County Treasurer.*
- 2. *We have implemented this recommendation.*
- B. *We will try to make deposits more often.*
- C. *We are attempting to negotiate a contract at this time.*

14.

Landfill/Transfer Station

Closed meeting minutes are not always prepared. Receipts are not turned over to the County Clerk on a timely basis and the method of payment is not always included on invoices.

The Landfill/Transfer Station committee consists of members of the Perry County Commission, the Mayor of Altenburg, the Mayor of Frohna, and the Mayor and one alderman from Perryville. The committee is to exercise supervision and management of all landfill operations. The Landfill/Transfer Station received approximately \$520,000 and \$517,000 for the years ended December 31, 2004 and 2003, respectively, for Landfill/Transfer Station fees.

- A. Minutes were not always prepared to document the matters discussed in closed meetings. In addition, open meeting minutes did not always document the related vote to close the meeting or the reasons for closing the meeting.

Section 610.021, RSMo, allows the Landfill/Transfer Station Committee to close meetings to the extent they relate to certain specified subjects, including litigation, real estate transactions, and personnel issues.

Section 610.020, RSMo, requires a journal or minutes of open and closed meetings be taken and retained by the public governmental body, including, but not limited to, a record of any votes taken at such meeting. The minutes shall include the date, time, place, members present, members absent and a record of any votes taken.

Section 610.022, RSMo, requires that before any meeting may be closed, the reason for the closed meeting shall be voted on at an open session. This law provides that public governmental bodies shall not discuss any other business during the closed meeting that differs from the specific reasons used to justify such meeting, record, or vote.

- B. The Landfill/Transfer Station receives monies from individuals and various entities wanting to dispose of trash at the landfill. The following concerns were found regarding receipts and transmittals:

- 1. Receipts are not transmitted on a timely basis. Landfill/Transfer Station receipts are transmitted to the County Clerk's Office approximately once a week and are kept in an unsecured location until the time of transmittal. In addition, a receipt slip is not obtained from the County Clerk's Office at the time of the transmittal.

To adequately safeguard receipts and reduce the risk of loss or misuse of funds, receipts should be transmitted daily or when receipts exceed \$100.

Receipt slips should be obtained from the County Clerk's Office to document the transmittal of receipts.

2. The method of payment is not always indicated on the invoices. The Landfill/Transfer Station is using pre-numbered invoices as receipt slips for transactions. To ensure receipts are handled properly, the method of payment should be indicated on each invoice and the composition (cash and checks) should be reconciled to the composition of the monies transmitted to the County Clerk.

WE RECOMMEND the Landfill/Transfer Station Committee:

- A. Ensure minutes are prepared, approved, and retained for all closed meetings and reasons for closing a meeting are documented as required by state law.
- B.1. Transmit receipts daily or when accumulated receipts exceed \$100 and keep receipts in a secure location until transmitted. In addition, obtain a receipt slip from the County Clerk's Office to document the transmittal.
 2. Indicate the method of payment on all receipts, and reconcile the composition of receipts to the composition of the monies transmitted to the County Clerk.

AUDITEE'S RESPONSE

The County Commission provided the following response:

- A. *Should the Landfill/Transfer Station Committee have a need to go into closed session it would do so in accordance with those statutes and documentation would be maintained accordingly.*

The Landfill/Transfer Station manager provided the following response:

- B. *These recommendations have been implemented. Transmittals are made to the County Treasurer when receipts (cash and check) exceed \$100. The County Treasurer issues a receipt slip for the transmittal. Cash and checks per the invoices are reconciled to the transmittal.*

Health Center Board minutes are not signed by the board. Bid documentation was not always solicited or advertised nor was bid documentation always retained. Receipts are not deposited on a timely basis and receipt slips are not issued for some monies received.

- A. Health Center Board meeting minutes prepared by the Health Center Board Secretary are not signed by anyone. The minutes should be signed by the Health Center Board Secretary and then by the Board President to provide an attestation that the minutes are a correct record of the matters discussed and actions taken during the board meeting.
- B. The Health Center did not always solicit or advertise for bids nor was bid documentation always retained for various purchases. In addition, the minutes did not adequately document bid information, such as reasons for accepting bids other than the lowest bid.

For example, the Health Center purchased 5 computers for a total cost of \$5,989 and did not advertise for bids for these computers. In addition, although the Health Center Administrator indicated three bids were received for the computers, only two bids could be located. The Health Center also did not advertise for bids for a copier purchased in 2004. The Health Center received three bids and accepted the highest bid of \$5,255. The minutes did not adequately document the board's reasons for not accepting the lowest bid.

In addition, the Health Center has not solicited bids for property and workman's compensation insurance for a number of years, even though the Health Center spent approximately \$16,500 annually for insurance premiums.

Bidding procedures for major purchases provide a framework for economical management of Health Center resources and help assure the Health Center that it receives fair value by contracting with the lowest and best bidders. Competitive bidding ensures all parties are given equal opportunity to participate in Health Center business. Documentation of bids should include, at a minimum, a listing of vendors from whom bids were requested, a copy of the request for proposal, newspaper publication notices when applicable, bids received, the basis and justification for awarding bids, and documentation of all discussions with vendors.

- C. Receipts are not deposited on a timely basis. During December 2004, only three deposits were made. A check for \$37,823 was received on December 2, 2004 and deposited on December 7, 2004. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, deposits should be made daily or when receipts exceed \$100.

- D. Receipt slips are not issued for some monies received. Pre-numbered receipt slips are not written for payments received for flu vaccinations, which amounted to approximately \$14,900 in 2004 and \$13,300 in 2003. To adequately account for receipts, pre-numbered receipt slips should be issued for all monies received and the numerical sequence accounted for properly.

WE RECOMMEND the Health Center Board:

- A. Ensure board minutes are signed by the Secretary upon completion and the President upon approval.
- B. Solicit bids for all purchases in accordance with state law and maintain documentation of bids. If bids cannot be obtained and sole source procurement is necessary, the official board minutes should reflect the necessitating circumstances.
- C. Deposit receipts daily or when accumulated receipts exceed \$100.
- D. Ensure pre-numbered receipt slips are issued for all monies received.

AUDITEE'S RESPONSE

The Health Center Administrator provided the following responses:

- A. *This recommendation was implemented in June 2005.*
- B. *We will follow these recommendations.*
- C. *We will try to deposit more timely. We are using direct deposit for state checks.*
- D. *We will try to issue receipts for flu vaccines next year.*

Follow-Up on Prior Audit Findings

PERRY COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS

In accordance with *Government Auditing Standards*, this section reports the auditor's follow-up on action taken by Perry County, Missouri, on findings in the Management Advisory Report (MAR) of the audit report issued for the two years ended December 31, 2000. Any prior recommendations which have not been implemented, but are considered significant, are repeated in the current MAR. Although the remaining unimplemented recommendations are not repeated, the county should consider implementing those recommendations.

1. Budgetary Practices

Prior to the amendments of various county budgets, expenditures had already exceeded the original budget.

Recommendation:

The County Commission ensure budget amendments are made prior to incurring the actual expenditures.

Status:

Not implemented. See MAR finding number 4.

2. Officials' Salaries

Section 50.333.13, RSMo, enacted in 1997, allowed salary commissions meeting in 1997 to provide mid-term salary increases for associate county commissioners elected in 1996. Based on this statute, in 1999 Perry County's Associate County Commissioners' salaries were each increased approximately \$4,100 yearly, according to the information from the County Clerk. On May 15, 2001, the Missouri Supreme Court handed down an opinion in a case that challenged the validity of that statute.

Recommendation:

The County Commission review the impact of this decision and develop a plan for obtaining repayment of the salary overpayments.

Status:

Not implemented. During our prior audit, the Commission responded that the raises given to the Associate Commissioners in mid-term were authorized by Section 50.333.13 and approved by the Perry County Salary Commission. As a result, no further action was taken. Although not repeated in the current MAR, our recommendation remains as stated above.

3. Housing of Prisoners

- A. The county housed prisoners for various political subdivisions but only had a written contract with the United States Department of Justice. The Sheriff's department charged the Department of Justice, Military Agencies, and the City of St. Louis \$45 a day; however, the City of Perryville was charged \$20 a day, and Cape Girardeau County was charged \$35 a day, per inmate. The Sheriff indicated the various rates were established depending on whether the county had to transport the prisoners; however, the rates and the justification for the rate variances had not been documented.
- B. No written contract existed with the local restaurant which provided meals to inmates in the county jail. In addition, the county had not obtained bids for this service in several years.

Recommendation:

The County Commission and Sheriff establish a billing rate appropriate for housing inmates in the County jail, solicit bids for the services of providing meals to the inmates, and enter into written contracts as required by law.

Status:

Partially implemented. A contract was obtained with the local restaurant providing meals to inmates and bids were obtained for this service. However, the county has not entered into written agreements with some political subdivisions using the county jail and continues to bill inconsistent amounts without documentation of the rate variances. See MAR finding number 13.

4. Prosecuting Attorney's Controls and Procedures

- A. Money orders for bad check administrative fees and court-ordered restitution monies were not transmitted or deposited timely.
- B. Receipt slips issued by the Prosecuting Attorney's Office for the receipt of restitution monies were not pre-numbered.
- C. Money orders received for court ordered restitution were not restrictively endorsed immediately upon receipt.
- D. The office procedure was to accumulate partial payments on restitution cases until significant amounts had been received and then distribute the funds to the victims. As of December 31, 2000, the reconciled cash balance of the court ordered restitution account was approximately \$25,500. Several accounts had undistributed balances of over \$100.

- E. The court ordered restitution account's reconciled cash balance as of December 31, 2001, included several outstanding checks. Outstanding checks totaling approximately \$580 had remained in the account, dating from May 1997 through April 1999.

Recommendations:

The Prosecuting Attorney:

- A. Transmit/deposit administrative fees and court ordered restitution monies daily or when accumulated receipts exceed \$100.
- B. Issue prenumbered receipt slips for all monies received.
- C. Restrictively endorse all money orders immediately upon receipt.
- D. Consider distributing restitution payments to victims on a more timely basis.
- E. Periodically investigate outstanding checks. In addition, the Prosecuting Attorney should attempt to identify to who the \$580 belongs, and disburse the funds appropriately. If this cannot be determined, the excess monies should be turned over to the state's Unclaimed Property Section in accordance with state law.

Status:

A,C

&D. Not implemented. See MAR finding number 11.

B. Partially implemented. The Prosecuting Attorney now issues prenumbered receipt slips for the restitution monies. The bad check receipt slips are numbered as they are issued. An adequate system to account for all bad check complaints received by the Prosecuting Attorney's Office, as well as subsequent disposition of these complaints, has not been established. See MAR finding number 11.

E. Partially implemented. These outstanding checks were investigated. However, at December 31, 2004, the reconciled cash balance included checks dating back to December 19, 2000. See MAR finding number 11.

STATISTICAL SECTION

History, Organization, and
Statistical Information

PERRY COUNTY, MISSOURI
HISTORY, ORGANIZATION,
AND STATISTICAL INFORMATION

Organized in 1820, the county of Perry was named after Oliver Perry, a naval hero of the War of 1812. Perry County is a county-organized, third-class county and is part of the 32nd Judicial Circuit. The county seat is Perryville.

Perry County's government is composed of a three-member county commission and separate elected officials performing various tasks. The county commission has mainly administrative duties in setting tax levies, appropriating county funds, appointing board members and trustees of special services, accounting for county property, maintaining approximately 400 miles of county roads and 167 county bridges, and performing miscellaneous duties not handled by other county officials. Principal functions of these other officials relate to judicial courts, law enforcement, property assessment, property tax collections, conduct of elections, and maintenance of financial and other records important to the county's citizens.

The county's population was 16,784 in 1980 and 18,132 in 2000. The following chart shows the county's change in assessed valuation since 1980:

		Year Ended December 31,					
		2004	2003	2002	2001	1985*	1980**
		(in millions)					
Real estate	\$	144.3	135.8	129.5	126.7	53.6	37.2
Personal property		77.3	74.3	78.9	84.9	16.8	13.3
Railroad and utilities		14.5	20.1	21.8	22.9	13.7	14.7
Total	\$	236.1	230.2	230.2	234.5	84.1	65.2

* First year of statewide reassessment.

** Prior to 1985, separate assessments were made for merchants' and manufacturers' property. These amounts are included in real estate.

Perry County's property tax rates per \$100 of assessed valuations were as follows:

		Year Ended December 31,			
		2004	2003	2002	2001
General Revenue Fund	\$.1800	.1800	.1800	.1800
Special Road and Bridge Fund *		.3000	.3000	.3000	.3000
Health Center Fund		.1820	.1820	.1803	.1823
Senate Bill 40 Board Fund		.0911	.0911	.0902	.0912
Mental Health Fund		.0911	.0911	.0902	.0912
Hospital Maintenance Fund		.0911	.0911	.0902	.0912

* The County has an agreement with the City of Perryville by which the City receives 25% of the tax revenues received by the Central Township of the County and in exchange the City maintains roads traditionally maintained by a special road district.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on September 1 and payable by December 31. Taxes paid after December 31 are subject to penalties. The county bills and collects property taxes for itself and most other local governments. Taxes collected were distributed as follows:

	Year Ended February 28 (29),			
	2005	2004	2003	2002
State of Missouri	\$ 73,305	71,469	71,209	70,142
General Revenue Fund	444,444	431,882	429,516	423,945
Special Road and Bridge Fund	718,229	699,928	698,260	687,445
Assessment Fund	131,610	104,312	103,413	94,642
Health Center Fund	432,553	421,092	416,474	414,583
Senate Bill 40 Board Fund	220,470	215,137	212,770	211,912
School districts	7,833,977	7,641,616	7,565,735	6,728,904
Library district	220,470	215,136	212,770	211,913
Late Assessment Fee and Interest	14,335	11,554	9,985	11,065
Levee District	134,511	132,711	133,720	134,705
Hospital Fund	220,470	215,137	212,770	211,913
Nursing Home Fund	0	0	0	6
Mental Health Fund	220,470	215,137	212,770	211,913
Cities	71,009	93,325	87,671	88,493
County Clerk	304	293	137	131
County Employees' Retirement	28,118	25,033	22,534	21,831
Tax Maintenance Fund	13,519	11,542	5,354	0
Commissions and fees:				
General Revenue Fund	173,258	165,762	162,476	147,478
County Collector	2,094	2,037	2,059	2,101
Total	\$ 10,953,146	10,673,103	10,559,623	9,673,122

Percentages of current taxes collected were as follows:

	Year Ended February 28 (29),				%
	2005	2004	2003	2002	
Real estate	97	97	97	97	
Personal property	96	96	96	96	
Railroad and utilities	100	100	100	99	

Perry County also has the following sales taxes; rates are per \$1 of retail sales:

	Rate	Expiration Date	Required Property Tax Reduction	
General	\$.0050	None	50	%
Local Park Fund	.0050	2017	None	

The elected officials and their compensation paid for the year ended December 31 (except as noted) are indicated below.

Officeholder	2005	2004	2003	2002	2001
County-Paid Officials:	\$				
Thomas H. Sutterer, Presiding Commissioner		31,173	30,323	29,498	28,827
Dennis E. Lohmann, Associate Commissioner		29,173	28,323	27,498	26,827
Patrick J. Heaps, Associate Commissioner		29,173	28,323	27,498	26,827
Sue Oster, Recorder of Deeds (1)		44,200	42,913		
Randy Taylor, County Clerk		44,200	42,913	41,663	40,647
Thomas L. Hoeh, Prosecuting Attorney		54,318	52,736	51,200	49,951
Gary J. Schaaf, Sheriff		44,019	42,737	41,492	40,480
Veronica J. Hershey, County Treasurer		44,200	42,913	30,831	30,079
Herbert E. Miller, County Coroner		13,397	13,007	12,628	12,320
Jim Taylor, Public Administrator (2)		15,914	15,450	15,000	19,539
Rodney J. Richardet, County Collector (3), year ended February 28 (29),	46,515	45,165	43,931	42,917	
Larry W. White, County Assessor (4), year ended August 31,	45,835	44,649	43,396	42,224	40,780
Tim Baer, County Surveyor (5)					

(1) Recorder's office was split from the Circuit Clerk's office starting in January 2003.

(2) 2001 includes fees received from probate cases.

(3) Includes commissions from drainage districts and Bois Brule Levee of \$2,094 in 2004, \$2,037 in 2003, \$2,059 in 2002, and \$2,101 in 2001.

(4) Includes \$751 and \$878 annual compensation received from the state in 2004 and 2003, respectively. Includes \$900 annual compensation received from the state in 2002 and 2001.

(5) Compensation on a fee basis.

State-Paid Officials:

Becky A. Paulus, Circuit Clerk and Ex Officio Recorder of Deeds	47,900	47,300	47,300	47,300
Michael Bullerdieck, Associate Circuit Judge	96,000	96,000	96,000	96,000

In November 1996, the county passed a half-cent sales tax for the purpose of constructing a multi-purpose center. The county entered into a lease agreement on December 17, 1996 with Perry County Multi-Purpose Center Commission, Inc, a not-for-profit corporation. The terms of the agreement provide for the not-for-profit corporation to issue revenue bonds for the purpose of constructing the multi-purpose center and lease the multi-purpose center back to the county for

payments totaling the principal and interest due on the outstanding bonds. Revenue Bonds dated 1997, 1998, and 1999 were issued in the original amount of \$5,785,000, \$3,970,000, and \$685,000 respectively, for the purpose of constructing the multi-purpose building. Bond principal is due annually on May 1 for all three sets of Bonds. Interest is due semi annually on May 1 and November 1 for all three sets of Bonds. At December 31, 2004, Perry County had \$4,405,000 for the 1997 Bonds, \$3,845,000 for the 1998 Bonds, and \$550,000 for the 1999 Bonds outstanding.

In July 1999, the County entered into a lease purchase agreement for \$431,326 to purchase the building for health services. The County entered into an agreement with the Health Center Board for lease payments to cover the lease purchase agreement amounts. At December 31, 2004 the agreement had a balance of \$74,987.